

# 2020

Missile Defense Agency
Office of Small Business Programs
Virtual Conference

# RESOURCES FOR SMALL BUSINESSES IN GOVERNMENT CONTRACTING

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#### **Fun Facts**

•	In 2019, the government spent \$
•	Less than% of U.S. businesses do business with the U.S. Government.
•	The Government signs over contracts a year.
•	What % of federal contracts are awarded to small and medium size business
•	Contracts between \$10,000 and \$250,000 in value are reserved for
•	Government procures services ranging from to
	·

#### Are You a Small Business?

#### Size Standards

Determined by NAICS industry codes

#### **Business Type**

Sole proprietorship, partnership, corporation, or any other legal form

#### Location

Operates primarily within the U.S.



#### **Size Restrictions**

Average number of employees or annual receipts

#### Non-Qualified Business

Primary operations outside the U.S.



Non-profit businesses are not considered









#### Traditional Business Plan Format





Company Information & Executive Summary



Structure



**Market Analysis** 



Marketing & Sales

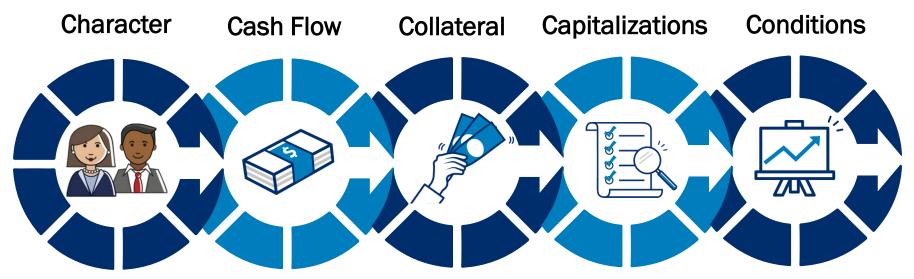


Service/Product Line



**Financial Projections** 

# Do You Have Adequate Cash Flow to Finance a Government Contract?



Do you demonstrate strength of Character?

Do you have adequate Cash Flow to repay a loan?

Do you have Collateral to offer lenders? Do you have
Capitalizations
plus liquid
holdings and
earnings?

Are there
outside
Conditions
that will affect
ability to
repay loan?

# Do you have Professionals that can support you?



Banker



Accountant



Insurance Agent



Attorney



Marketing Support



Contracts
Manager/Support



Coach/Mentor



**Board of Advisors?** 

#### Is Your Business Ready?



Does the Government...
Buy what you sell

Do you have...

Federal contracting experience Cash, inventory, working capital

**Are you capable...**Of fulfilling a government contract

**Do you know...**Where to find contracting opportunities



# Set-Aside for Certification Programs and Socio-Economic Categories

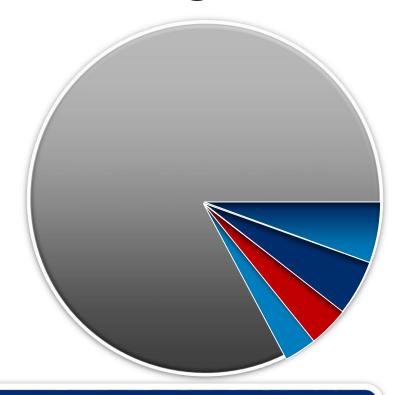
#### Targeted set-asides and acquisition goals:

Women-Owned Small Businesses (5%)

Small Disadvantaged Businesses (including 8(a) certified) (5%)

**HUBZone Businesses (3%)** 

Service-Disabled Veteran-Owned Small Businesses (3%)



Set-asides are reserved for small business between \$3,500 (Micropurchase Threshold) to \$250,000 (Simplified Acquisition Threshold)



#### **Primary Methods of Contracting**

Micro-purchases
Not requiring compe

Not requiring competitive bids and paid for by Government Purchase Card/Credit Card

O2 Simplified Acquisition Process
Purchases \$3,500 - \$250,000

Sealed Bidding

Used when government has a need for services/supplies that is clear, specific and complete. NO negotiation prior to award.

**Contract by Negotiation** 

Technical products valued at \$150,000 or more. Negotiation allowed prior to award that considers more than price-related factors



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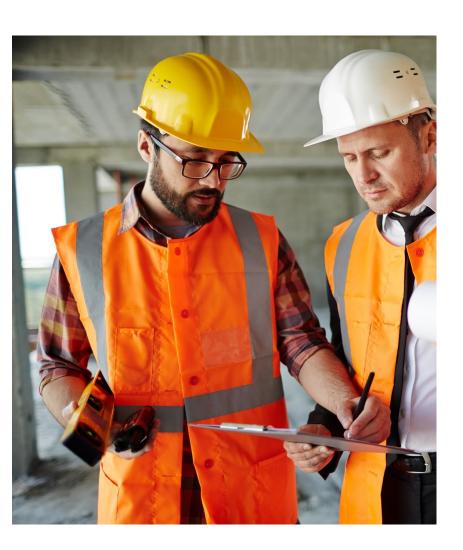




## Government-Wide Contracting Goals COMPETITION TYPES TO WIN GOVERNMENT CONTRACTS



### **Types of Contracts**



#### **Indefinite Delivery, Indefinite Quantity**

- Definite quantity and requirement contracts
- Indefinite Delivery, Indefinite Quantity Contract (IDIQ)

#### Time, Materials & Labor

 Acquiring supplies/services based on direct labor hours at a fixed hourly rate

#### **Incentive**

Supplies/services acquired at lower costs

#### **Fixed Price**

- Economic price
- Incentive contract

#### **Cost Reimbursement**

Payment of allowed incurred cost



#### Agreements



D1 Basic Order Agreement (BOA)

- Not a contract
- Expedites contracting for uncertain requirements



# O2 | Blanket Purchase Agreement (BPA)

 Method of filling anticipated repetitive needs for supplies and services



#### General Services Administration (GSA) Schedule

#### Consider becoming a GSA Schedule Contractor



Requires prequalification



Gets your company on the schedule



Benefits the customer



Allows you to market your schedule



Accesses preferred vendor lists



#### Research Your Market



Know what agencies buy your products and services



Find your niche, competition is fierce



Understand areas of government spending



Know your competition and their contracts



#### **Understand Your Customers**





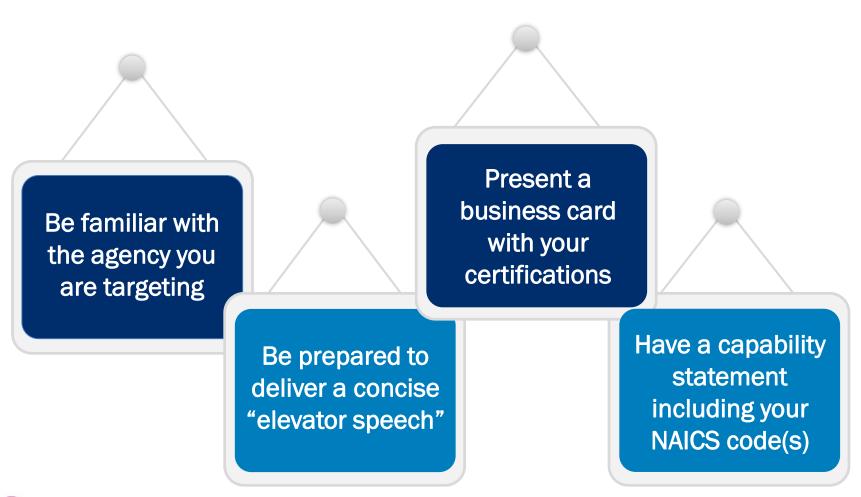
# How to Prepare for the Real World of Marketing to the Government of Prime Contractors

- You can never NETWORK enough Attend Professional Organizations such as Women in Defense, Huntsville Association of Small Businesses in Advanced Technologies, National Defense Industry Association and many others...
- Know when events are happening <a href="https://www.hasbat.org/HNO">https://www.hasbat.org/HNO</a> Calendar
- Attend Government Contracting Training through resources such as The Catalyst, SBDC, NCMA,
   PMI, NCMS and many others...
- Carefully create a Business Development Strategy Identify your Capabilities, Find Your Niche, Create Your Capabilities Briefing
- Research Companies that perform similar capabilities in order to Potentially team with them, or Government Agencies that use your services; DO YOUR HOMEWORK! Google them find out new opportunities they have been awarded, look on their website at news for updates an information how YOUR COMPANY can provide services to them; find opportunities that you bring to them to look at so they know you are not just looking for handout; look up the person you are meeting on Linked In to get to know them, Prepare to WOW Them! Follow up!

#### Contacts Lead to CONTRACTS!



#### Ingredients to Making a Favorable Impression





#### What is a Capability Statement?

<u>1</u>



#### **Purpose**

- Proof of Qualification
- Introduction

<u>3</u>



#### What Is It

- Business Resume
- Relationship Builder

2



#### Marketing

- Door Opener
- Captivate Customers

<u>4</u>

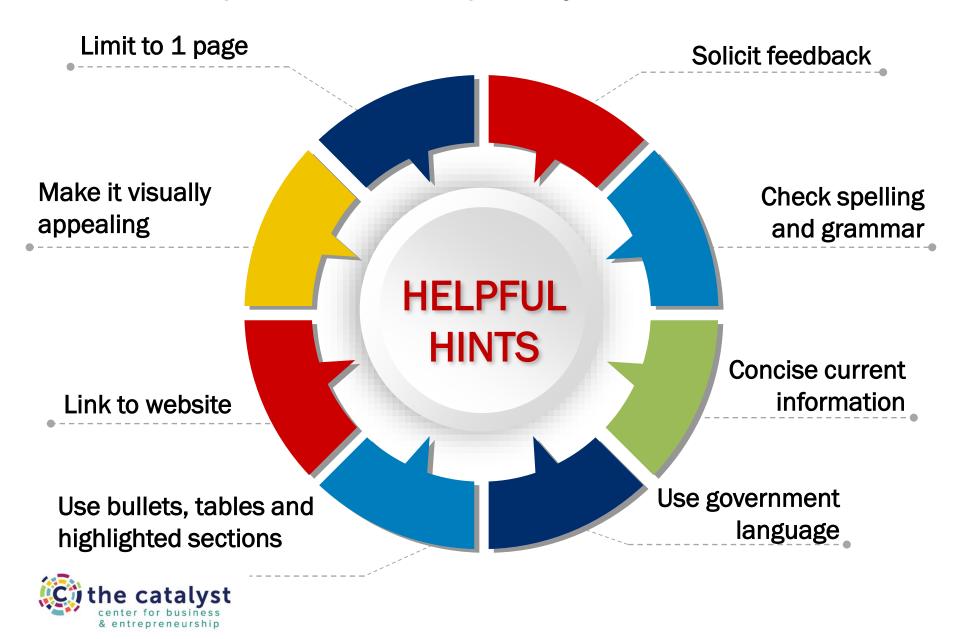


#### How to Use It

- Prime or Teaming
   Opportunities
- Part of a Sources Sought or Request for Information Response



#### Tips for Better Capability Statements



#### Core Elements of a Capability Statement



#### **Title**

- Include firm's logo
- Other branding elements

#### **Corporate Data**

Office locations and contact information

#### **Company Data**

- Financial stability/capacity
- Number of employees/teams
- DUNS, CAGE, NAICS
- GSA Schedule





#### **Past Performance**

- Show your benefits
- List your past customers
- Types of contracts

#### **Unique Features**

- What sets you apart?
- What is the benefit?
- Socio-economic certifications
- Insurance and bonding capacity

#### Speak the Government's Language



Rework your message

Ask questions

List contract vehicles

Stress contracting expertise

Proof your message



#### Write a Government Marketing Plan

#### Government Fiscal Year: October - September







Raising Awareness and Building Relationships Lead Generation Campaigns & Response

Last Minute Offers and Awareness Campaigns



#### How to Find Decision Makers



#### Call and Make an Appointment



Network and Contact a Small Business Specialist



Submit an Invitation to Bid



#### Keys to a Successful Meeting





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#### Request a Meeting

- Do your homework
- Give specific reasons for meeting
- 0 2

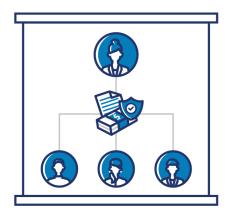
## Conduct Pre-Meeting Research

- Keep track of past, current and future opportunities
- 0 3

#### **Post Meeting**

- If you made promises at meeting, keep them!
- Write a thank you note
- Ask them to share information

#### Prime and Subcontractor Relationship



#### **DEFINITIONS**

#### **Prime Contractor:**

A person who has entered into a prime contract with the U.S.

#### **Subcontractor:**

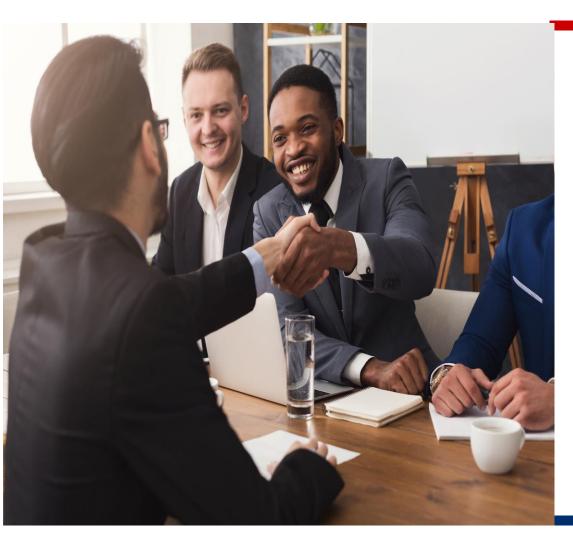
A person or business that is awarded a subcontract to provide supplies or services necessary in the performance of another's

ict.

- Prime controls relationship
- Prime and subcontractor need to work as a cohesive, highperformance team
- Planning and communication leads to more successful contract



#### **Consider Subcontracting**



#### **Build Capacity**

Land a Contract

#### Work with a Prime

- Teaming Agreement
- Joint Venture
- Mentor Protégé

#### **Enhance Past Performance**

- Gain Experience
- Expand Opportunities



#### To Get Started...







1

Obtain a Data Universal Number System (DUNS) (866) 705-5711 2

Register in the System for Award Management (SAM) 3

Obtain a
Commercial and
Government Entity
(CAGE) Code

**Click Here** 

**Click Here** 

**Click Here** 



## Do You Know Your NAICS Codes and Size Standards for Your Industry?



NAICS codes define establishments and are used for administrative, contracting, and tax purposes



SBA size standards using NAICS as their basis apply to all Federal government programs, including procurement



Visit the United
States Census
Bureau NAICS
website to identify
your NAICS code(s)





# https://beta.sam.gov/





#### **Procurement Assistance**

#### **SBA Resources**

- Business Opportunity Specialist
- Procurement Center Representative

#### **Procurement Technical Assistance Centers**

- Government contract assistance
- Consulting and workshops
- Information and resources

#### **Marketing Resources**

- FedBizOpps
- <u>Federal Procurement Data System</u>
- System for Award Management
- <u>Dynamic Small Business Search System</u>
- Subcontracting Networking System (SubNet)

#### Other Resources

- USASpending
- GSA Subcontracting Directory
- DoD Prime Contracting Directory









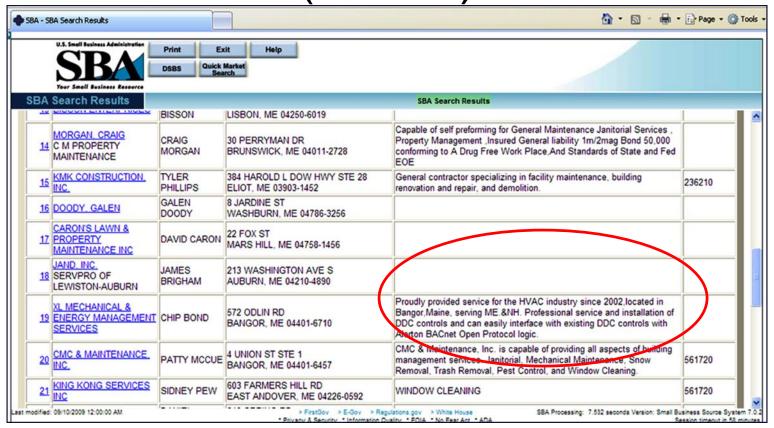








# Dynamic Small Business Search (DSBS)



http://dsbs.sba.gov/dsbs/search/dsp dsbs.cfm



### **Dynamic Small Business Search**

http://dsbs.sba.gov



#### **Capabilities Narrative**

What you do: We are a property preservation, maintenance and rehab company.

Who you do it for: We service distressed properties from eviction to resell. How you do it:

- Field Inspections
- Securing property
- Removing waste and abandon belongings
- Winterizing property.



### Federal Procurement Data System

#### Steps:

- Log-in (Register if it's your first time)
- Go to "ezSearch"
- Enter search item
- "Advanced Search" to add additional search criteria
- Additional types of reports -



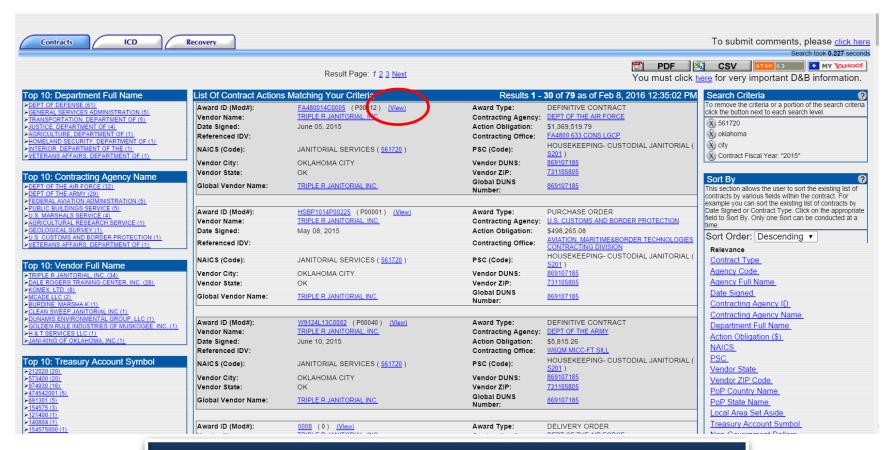


# Federal Procurement Data System (FPDS)





## Research Agencies



Narrow your selection down to 4-5 targeted agencies.



#### **USASpending.gov**

What contracts have been awarded in the past?

### Data

- State
- County
- Congressional District

## What

- Awards to companies
- Agencies
- Pricing

### **Top 5 Agencies**

Agency	Eligible Dollars	Small Business		Socio Ecomonic			
Name		Goal %	Actual %	8a	WOSB	HUBZone	SDVOSB
DOD	\$272.3B	22%	22.54% (\$61.4B)	8.25% (\$22.5B)	4.05% (\$11.0B)	1.49% (\$4.1B)	3.23% (\$8.8B)
DOE	\$26.9B	10.20%	5.28% (\$1.4B)	2.77% (\$746.0M)	1.28% (\$343.6M)	0.12% (\$32.4M)	0.62% (\$168.1M)
VA	\$26.1B	28.50%	29.34% (\$7.6B)	7.17% (\$1.9B)	2.72% (\$709.2M)	2.14% (\$558.4M)	19.52% (\$5.1B)
ннѕ	\$24.4B	22.75%	22.32% (\$5.5B)	10.21% (\$2.5B)	6.53% (\$1.6B)	0.81% (\$197.5M)	1.66% (\$405.1M)
HS	16.7B	35.50%	34.27% (\$5.7B)	14.34% (\$2.4B)	7.89% (\$1.3B)	3.6% (\$600.4M)	5.71% (\$952.3M)



#### Get to Work and Submit Your Bid

<u>1</u>



#### Find a Promising Opportunity

- Evaluate pricing
- Demonstrate past performance
- Target agency's needs and goals

<u>2</u>



#### Submit your Bid and Wait

- Submit bid
- Wait for response
- Prepare for oral presentation (if needed)

3



#### Request a Debrief

- Understand why you won/lost
- Evaluate marketing and bidding strategy
- Look for strengths and weaknesses



### Networking is Key! Activity





### Questions





### **Contact Information**



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